

ORDER NO. 2017

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;
Mark Acton, Vice Chairman; and
Robert G. Taub

Competitive Product Prices
Global Expedited Package Services Contracts
Non-Published Rates 4 (MC2013-27)

Docket No. CP2013-35

ORDER CONCERNING MOTION FOR TEMPORARY RELIEF REGARDING
CONTRACT WITH SERIAL NUMBER ENDING IN 0017 AND PROVIDING GUIDANCE
ON MOTIONS FOR TEMPORARY RELIEF

(Issued March 13, 2014)

On March 10, 2014, the Postal Service filed a motion requesting an extension of the negotiated service agreement approved in this proceeding, ending in serial number -0017 (Existing Agreement).¹ Attached to the Motion is a modification executed by the Postal Service and the customer, extending the Existing Agreement's expiration date through March 18, 2014. *Id.* Attachment 1.

The Postal Service represents that the customer has signed a Global Expedited Services – Non-Published Rates (GEPS NPR) 4 Version 2 agreement, which has an

¹ See Motion of the United States Postal Service for Temporary Relief and Notice of the United States Postal Service of Filing Modification Two to a Global Expedited Package Services – Non-Published Rates 4 Contract with Serial Number Ending in 0017, March 10, 2014 (Motion).

effective date of March 19, 2014. Motion at 1. In the interest of maintaining continuity of pricing and other terms and conditions, the Postal Service requests that the Existing Agreement be extended through March 18, 2014. *Id.*

In its approval of the GEPS NPR products, the Commission authorized the Postal Service to enter into standard agreements and file the executed agreements for review after execution, subject to several conditions.² The Existing Agreement is one such standard agreement. Previously when the Postal Service sought to extend standard agreements in this proceeding, the Postal Service filed a motion for temporary relief, seeking the Commission's permission to extend the agreement's term.³ In accordance with Order No. 1523, such motions for temporary relief were filed at least one week prior to the agreement's expiration date.⁴

The Postal Service now seeks to extend the Existing Agreement by filing a motion for temporary relief and notice of a modification simultaneously. In accordance with Order No. 1625, changes in rates due to changes to the model contract or financial model must be approved in advance by the Commission. Order No. 1625 at 7. When the Postal Service and the customer modify a standard agreement under Article 14 of the agreement, the Postal Service must file a notice of the modification in the applicable

² Docket Nos. MC2013-27 and CP2013-35, Order Adding Global Expedited Package Services—Non-Published Rates 4 (GEPS—NPR 4) to the Competitive Product List, January 16, 2013, at 2 (Order No. 1625). See *also* Docket No. CP2011-45, Order Adding Global Expedited Package Services—Non-Published Rates 2 to the Competitive Product List, December 30, 2010 (Order No. 630); Docket Nos. MC2012-4 and CP2012-8, Order Approving Postal Service Request to Add Global Expedited Package Services—Non-Published Rates 3 (GEPS-NPR 3) to the Competitive Product List, January 20, 2012 (Order No. 1161).

³ See, *e.g.*, Motion of the United States Postal Service for Temporary Relief Concerning Global Expedited Package Services—Non-Published Rates 4 Contract with Serial Number Ending in 0027, February 26, 2014; Motion of the United States Postal Service for Temporary Relief Concerning Global Expedited Package Services—Non-Published Rates 4 Contracts with Serial Numbers Ending in 0006, 0008, 0010, and 0011, January 16, 2014. In those cases, the Postal Service and customer executed a modification extending the agreement's term after the Commission granted the extension. See Notice of the United States Postal Service of Modification Two of Global Expedited Package Services—Non-Published Rates 4 Customer Contract with Serial Number Ending: 0027, March 7, 2014; Notice of the United States Postal Service of Modifications of Global Expedited Package Services—Non-Published Rates 4 Customer Contracts with Serial Numbers Ending: 0006, 0008, 0010 and 0011, January 30, 2014.

⁴ Docket No. CP2009-38, Order Granting Motion for Temporary Relief and Providing Guidance Regarding Future Motions for Temporary Relief, November 1, 2012, at 2 (Order No. 1523).

Commission proceeding.⁵ In accordance with Order No. 1625, if the modification does not alter the model contract or financial model, the Commission docket the notice and takes no further action.⁶ Thus, when the Postal Service and customer have executed a signed modification to extend an agreement, consistent with past practice, the Commission requires the filing of notice of the modification. In such cases, a motion for temporary relief and corresponding Commission preapproval are not required.⁷ However, unlike other types of modifications, notices of modifications extending an agreement must be provided prior to the agreement's scheduled termination date to ensure accurate Commission administrative recordkeeping regarding the contract's status.

Nothing in this Order shall be construed to impact the situation where the Postal Service requests an extension of an existing agreement's term without also contemporaneously filing a fully executed modification extending the existing agreement's term. In such cases, consistent with past practice, motions for temporary relief must be filed at least one week prior to the agreement's expiration date absent compelling circumstances. Order No. 1523 at 2.

It is ordered:

1. The Existing Agreement is authorized to continue through March 18, 2014.

⁵ Docket Nos. MC2013-27 and CP2013-35, Request of the United States Postal Service to Add Global Expedited Package Services—Non-Published Rates 4 (GEPS – NPR 4) to the Competitive Product List and Notice of Filing GEPS-NPR 4 Model Contract and Application for Non-Public Treatment of Materials Filed Under Seal, December 21, 2012, Attachment 4 at 8; Order No. 1625 at 7-8.

⁶ See, e.g., Notice of the United States Postal Service of Filing Modification to Global Expedited Package Services—Non-Published Rates 4 Customer Contract with Serial Number Ending: 0118, February 28, 2014.

⁷ The guidance provided in this Order is limited to "Non-Published Rates" type agreements.

2. When the Postal Service and the customer extend a standard agreement through a modification executed under Article 14 of the standard GEPS-NPR agreement, the Postal Service must file a notice of the modification prior to the agreement's scheduled termination.
3. If the Postal Service requests an extension of the agreement's term without contemporaneously filing a fully executed modification, consistent with past practice, it must file a motion for temporary relief at least one week prior to the agreement's expiration date absent compelling circumstances.

By the Commission.

Ruth Ann Abrams
Acting Secretary